

S E C R E T

INSPECTOR GENERAL

76-3186

OGC HAS REVIEWED.

20 OCT
1976

Executive Registry

76-3745/1

DD/A Registry

76-5916

MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM : John H. Waller
Inspector General25X1A SUBJECT : [REDACTED] - Claim for
Extraordinary Relocation Expenses1. Action Requested:25X1A You are requested to approve the recommendation in paragraph
4 that the Agency pay [REDACTED] claim and sign the authorizing
memorandum (at Attachment 3) to the Deputy Director for Administration.2. Background:25X1A [REDACTED] a DDO career officer, served a
two-year tour as Chief of Station [REDACTED] from June 1972 to 25X1A
October 1974. In January 1974, he was given a one-year tour exten- 25X1A
sion until June 1975. On 16 August 1974 [REDACTED] was instructed to
close the Station by 1 September and return to Headquarters on PCS.

25X1C

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E2, IMPDET
CL BY 055636

S E C R E T

25X1A [REDACTED] decisions were complicated by a combination of family considerations:

25X1A His wife had undergone minor surgery late August-early September. There were uncertainties about her post-operative condition and the possible need for additional operations. Faced with these unknowns [REDACTED] had to arrange for the care of his wife and their five children, on return to the United States. He found that he could neither sell or reoccupy his house in the Washington area on such short notice, which raised serious questions in his mind about housing his family in the Washington area. He found that he could enroll some of his children in private schools in New Mexico, where he had family, the Washington area schools having already started the fall term.

25X1A [REDACTED] informed Headquarters of his intention to relocate his family to New Mexico and requested a waiver authorizing payment of expenses to New Mexico. Headquarters authorized shipment of household effects to Washington and requested formal justification through official channels for a waiver. [REDACTED] on 5 October with this matter unresolved.

25X1A

25X1A [REDACTED] discussed various claims arising from the Station closure with EUR Division, the ADDO, and the SSA/DDA. Some claims were handled by the Agency as operational costs, but his claim for Home Service Transfer Allowance (\$655.38) was turned down on 23 December 1975 as not allowable under [REDACTED] (This claim and the memorandum disallowing the claim is at Tab A of Attachment 1).

25X1A Agency administrative officials most familiar with this claim have expressed sympathy with [REDACTED] situation and have said that the claim should be paid if legally possible. One observed that the claim might be payable under the Director's discretionary authority [REDACTED] to pay for expenses "arising out of the unusual functions of this Agency..."; however, no action had been taken to consider this claim in this manner. We have consulted with OGC on the legality of payment of this claim. Their response to the detailed report in Attachment 1 and subsequent correspondence is at Attachment 2.

25X1A

1. At Tab C of Attachment 1

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S E C R E T

3. Staff Position:

25X1A We find that the [REDACTED] claim arose from the abrupt and
unforeseen closure of the [REDACTED] Station and the unfortunate co-
25X1C incidence of his wife's medical problems. His [REDACTED], and
Headquarters instructions, prohibited his advising the official
25X1A [REDACTED] and enlisting timely assistance in solving his
problem. This resulted in [REDACTED] having to make immediate de-
cisions on arrangements for the care of his wife and children on
their return to the U.S. He was unable to make satisfactory
arrangements on short notice in Washington while he could do so in
New Mexico. He had to relocate to the U.S. before questions con-
cerning these expenses could be resolved by Headquarters.

25X1A It is clear that, if [REDACTED] had incurred similar expenses
in the Washington area, they would have been paid by the Agency
25X1A under the provisions of [REDACTED] which authorizes allowances "for
extraordinary and necessary expenses incident to the establishment
of his residence at a post in the United States..." It is [REDACTED]
25X1A [REDACTED] practice to limit payment of
temporary lodging allowances under [REDACTED] to claims occurring
in the proximate area of the PCS posting. There appears to be no
statute or Comptroller General ruling supporting this interpretation
and no specific definition of the limits of the "proximate area".
OGC has issued the opinion that there is no legal basis for paying
this claim, although this appears to be based on a different inter-
pretation of the facts than our investigation has revealed.

Alternatively, we believe that payment of this claim could
be made either under the provisions of [REDACTED] which permits
the DDA to "authorize or approve any emergency, unusual, or addi-
tional payment..." or, under the provisions of [REDACTED] which
authorizes the DDA to "take final action on any matter arising out
of the unusual functions of this Agency..."

4. Conclusion:

We disagree with the General Counsel's opinion as to the
facts in this case. The prohibition on [REDACTED] advising his

- 25X1C 1. With the [REDACTED] at Tab C, Attachment 1
2. At Tab C, Attachment 1

- 3 -

S E C R E T

S E C R E T

25X1C [REDACTED] of his pending change, combined with the precipitous closing of the Station, deprived him of the chance to arrange his transfer on an orderly basis. Under the circumstances of his family requirements, [REDACTED] problem is emphasized by Headquarters' failure to respond to his request for timely advice. We have concluded that [REDACTED] plight resulted from the restraints of his [REDACTED] in combination with other considerations that otherwise would not have produced this situation.

5. Recommendation:

25X1A That you approve payment of [REDACTED] claim under the provisions of [REDACTED] and sign the memorandum to the DDA at Attachment 3 authorizing this payment. 25X1A

[REDACTED] 25X1A
John H. Waller

Attachments: a/s

Approved: _____ Date: _____

25X1A Disapproved: [REDACTED] Date: 11/26/76

E. H. Knoche
Deputy Director of Central Intelligence

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S E C R E T

S E C R E T

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5. Recommendation:

25X1A That you approve payment of [REDACTED] claim under the provisions of [REDACTED] and sign the memorandum to the DDA at Attachment 3 authorizing this payment.

25X1A

25X1A

John H. Waller

Attachments: a/s

Approved: _____

Date: _____

Distribution:

Original - Addressee w/atts.
 3 - ER w/att. 3 only
 1 - DDA w/att. 3 only ✓
 1 - IG Chrono w/att. 3 only
 1 - IG Subject w/atts.
 1 - [REDACTED] Chrono w/att. 3
 1 - OGC w/att. 3 only

25X1A

25X1A OIG/[REDACTED]:aal

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S E C R E T

Administrative - Internal Use OnlyAttachment 3
Administrative Registry
76-3745

MEMORANDUM FOR: Deputy Director for Administration

FROM : E. H. Knoche
Deputy Director of Central Intelligence

25X1A SUBJECT : [REDACTED] - Payment of
Home Service Transfer Allowance Claim

25X1A I have reviewed [REDACTED] claim of 22 December
1975 and have judged it to result from activities arising
out of the unusual functions of this Agency. You are
authorized to pay this claim under the provisions of

25X1A

[REDACTED]

E. H. Knoche

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ROUTING AND RECORD SHEET

JECT: (Optional)

DD/A Registry
File Accounting 3-1FROM: John H. Waller
Inspector General
2 E 24 Hqs.EXTENSION
6565

NO.

R-1252

DATE

TO: (Officer designation, room number, and
building)

DATE

OFFICER'S
INITIALSCOMMENTS (Number each comment to show from whom
to whom. Draw a line across column after each comment.)1. Executive Registry
ROOM: 7 E 12

RECEIVED

FORWARDED

20 Oct 76 JH

2. [REDACTED]

3. DDCI

21 Oct

10/30 JH

4.

5.

EC/DDA

6. DD/A

ROOM: 7 D 18

7.

8. OIG

ROOM: 2 E 24

9.

25X1A

10.

11.

12.

13.

14.

Am sure DDCI will credit
your opinion. JH

8. P/S advise MR.

[REDACTED] OF DDCI
disapproval -

30 NOV 1976

FORM
3-62

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